

DEPARTMENT OF HEALTH AND SENIOR SERVICES

FINANCIAL SUMMARY

	FY 2003 EXPENDITURE	FY 2004 APPROPRIATION	FY 2005 REQUEST	GOVERNOR RECOMMENDS FY 2005
Health Administration	\$ 11,838,002	\$ 20,900,068	\$ 22,013,218	\$ 22,174,547
State Public Health Laboratory	6,464,033	8,719,495	8,625,079	\$ 8,561,318
Center for Health Information Mgt. & Evaluation	10,583,518	12,872,845	12,648,216	12,758,386
Center for Local Public Health Services	9,980,798	9,769,976	9,772,088	9,782,732
Center for Emergency Response and Terrorism	10,325,939	29,363,866	29,987,992	30,053,873
Environmental Health and Communicable Disease Prevention	31,370,571	35,300,654	38,178,589	38,319,394
Division of Community Health	180,253,311	196,924,374	203,601,774	203,073,716
Senior Services and Regulation	95,823,228	110,479,032	105,823,037	106,535,202
Missouri Senior Rx Program	10,150,932	16,478,288	23,942,034	23,942,034
Missouri Health Facilities Review Committee	182,784	192,928	151,372	153,768
DEPARTMENTAL TOTAL	\$ 366,973,116	\$ 441,001,526 *	\$ 454,743,399	\$ 455,354,970
General Revenue Fund	79,042,857	81,863,107	93,094,357	92,634,628
Federal Funds	259,181,362	318,438,264	319,941,774	320,939,791
Division of Aging Donations Fund	0	50,000	50,000	50,000
Nursing Facility Quality of Care Fund	2,190,825	3,373,257	3,362,120	3,383,882
Health Initiatives Fund	5,227,070	5,406,873	5,406,873	5,407,679
Health Access Incentive Fund	3,983,002	3,193,482	3,193,482	3,196,399
Mammography Fund	33,945	70,402	70,402	71,446
Division of Aging Elderly Home Delivered Meals Trust Fund	93,966	430,000	430,000	430,000
Missouri Public Health Services Fund	1,637,764	3,215,501	4,071,506	4,091,156
Professional and Practical Nursing Student Loan and Nurse Loan Repayment Fund	499,924	535,835	585,835	587,102
Medical School Loan and Loan Repayment Program Fund	50,000	50,000	50,000	50,000
Healthy Families Trust Fund (HFT)-Health Care Treatment and Access Account	301,476	0	0	0
Department of Health Document Services Fund	574,525	815,012	909,212	913,712
Workers' Compensation Fund	74,563	140,163	140,163	142,446
Department of Health - Donated Fund	1,341,578	4,514,453	4,383,426	4,393,384
HFT-Senior Prescription Account	11,130,932	16,478,288	16,478,288	16,478,288
Hazardous Waste Remedial Fund	190,741	241,409	241,409	244,827
Board of Nursing Home Administrators Fund	0	0	149,072	149,072
Organ Donor Program Fund	298,523	357,482	357,482	359,531
Early Childhood Development, Education and Care Fund	943,611	991,998	991,998	995,627
Smith Memorial Endowment Trust Fund	35,000	35,000	35,000	35,000
Blindness Education, Screening and Treatment Program Fund	6,284	250,000	250,000	250,000
Missouri Lead Abatement Loan Fund	0	276,000	276,000	276,000
Crippled Children Fund	135,168	275,000	275,000	275,000
Full-time equivalent employees	2,003.80	2,138.42	2,175.52	2,173.52

* Does not include \$1,708,102 federal and other funds recommended in Fiscal Year 2004 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Health and Senior Services supplemental appropriations.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

POLICY SUMMARY

Governor Holden's budget for Fiscal Year 2005 provides a total of \$455.4 million for the Department of Health and Senior Services. The department provides services to protect and promote the health of Missourians. The core functions provided by the Department of Health and Senior Services include:

- Safeguarding the public health, safety, and well-being of all Missourians.
- Providing health services, home and community services, and prescription benefits to Missouri senior citizens.
- Preventing and controlling communicable and genetic diseases.
- Preventing and reducing the burden of chronic diseases.
- Protecting Missourians through regulation and inspection of various facilities including hospitals, nursing facilities, and child and adult daycare programs.

Safeguard the Public Health

In response to the terrorist events in this country, Missouri continues to improve the detection, analysis, surveillance, and response capabilities to the potential release of biohazardous materials in the state. The same system can be used in the event of natural disasters or environmental hazards. In addition to this role, the department performs core public health functions that are necessary to protect the health of all Missourians, including inspections of restaurants, hospitals, nursing homes, food processing plants, lead abatement projects, and child and adult daycare programs. The Governor's Fiscal Year 2005 recommendations include:

- \$613,326 federal funds for the Public Health Preparedness and Response for Bioterrorism Grant.
- \$74,765 other funds for lead licensing and lead abatement project inspections.

Some performance measures the Department of Health and Senior Services uses to evaluate its goal of safeguarding the public follow:

	2000	2001	2002
Percentage of childcare providers found in compliance with health and safety standards on first inspection	32.0%	28.0%	38.0%
Percentage of children with elevated blood lead levels	10%	8%	6%
Number of substandard hospital care cases	2,570	2,803	2,966 (prov)

Maintain Support and Home and Community Based Services for Elderly Citizens

Governor Holden supports services to help seniors and adults with disabilities maintain their independence and safety. The number of Missouri seniors, those over 65, is rapidly increasing. In 2000, 755,379 seniors resided in Missouri, of whom 10 percent lived in poverty. By 2025 the number of seniors will exceed 1.2 million and will comprise almost 20 percent of Missouri's population, up from 13.5 percent in 2000. Senior citizens desire to reside in their homes through the end of their lives. Governor Holden's recommendations help low-income seniors remain in their homes and communities by providing services such as nurse visits, adult day care, and home-delivered meals. In addition, the Governor directed a joint effort between the Departments of Health and Senior Services and Social Services to maximize funding for the Missouri Care Options Program, which provides alternatives to facility-based care for seniors. This program also reduces the overall cost of care for those able to live independently. For those seniors who need the care provided by nursing facilities, inspections, training, investigations, licensing, and compliance activities promote safe and quality care. The investigation of abuse and neglect cases in both home settings and in facilities also helps ensure safety. While many of these safeguards have been in place for some time, the recently passed elderly protection bill, Senate Bills 556 and 311 (2003), extended these protections and increased the penalties for non-compliance.

The Missouri Senior Rx Program moved into its second year in Fiscal Year 2004. The program is serving approximately 18,850 low-income seniors by helping to defray the cost of prescription drugs. The average annual income for current participants is only \$12,322. After qualifying seniors meet an annual deductible, the Missouri Senior Rx Program will pay 60 percent of the cost of prescription medications up to a maximum of \$5,000 a year. The Governor's Fiscal Year 2005 recommendations include:

- \$7.5 million for increased enrollment of seniors in the Missouri Senior Rx Program.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

POLICY SUMMARY (Continued)

Some performance measures used by the Department of Health and Senior Services to evaluate the health, safety, and independence of Missouri's elderly and disabled citizens follow:

	2000	2001	2002
Incidence of elder abuse	9,870	9,761	9,906
Percentage of Medicare/Medicaid long-term care facilities in substantial compliance	23.3%	18.0%	14.0%
Percent of eligible adults potentially eligible for nursing facility placement who receive in-home services	16.7%	17.1%	17.0%
Percentage of Medicaid recipients receiving community-based services	16.1%	17.1%	17.0%

Protect the Health of Missouri's Children

The Department of Health and Senior Services has focused its efforts on priority health problems among Missourians. The department is working to increase the percentage of pregnancies that result in healthy babies, decrease the rate of infant mortality, and decrease the pregnancy rate for females under age 18. Great strides have been made in reducing childhood mortality, but significant risks to child health remain, including poor nutrition, unsafe environments, and high-risk behaviors among adolescents. Many challenges still remain in a state where 15.3 percent of children lived in poverty in 2002. Lack of access to health care, including medical and dental care, means many children do not get the prevention, screening, and treatment services they need in a timely manner. A total of 6,057 babies, just over 8 percent of total births, were born with low birth weight in 2002, placing them at risk for early health problems and premature deaths. One harmful behavior contributing to these problems is the use of alcohol by a woman during her pregnancy. Early intervention programs can screen for women at-risk of having fetal alcohol affected (FAS) babies and provide education and intervention services. The Governor's Fiscal Year 2005 recommendations include:

- \$353,663 federal funds for the Missouri Fetal Alcohol Syndrome, Rural Awareness and Prevention Project grant awarded by the Centers for Disease Control. This will target 71 counties in Missouri where increased screening, education, and intervention will help reduce the number of babies born with fetal alcohol syndrome.

Some performance measures the Department of Health and Senior Services uses to evaluate its goal of protecting the health of Missouri's children follow:

	2000	2001	2002
Percentage of births resulting in healthy birth weight babies	90.3%	90.5%	90.5%
Infant mortality rate per 1,000 births	7.2	7.2	7.4
Pregnancy rate per 1,000 females, ages 15-17	34.4	32.5	29.2
Percentage of pregnant women who received adequate prenatal care	89.6%	89.2%	89.0%
Percentage of childcare providers found in compliance with health and safety standards on first inspection	32.0%	28.0%	38.0%

Prevent and Control Communicable and Chronic Diseases

Chronic diseases such as heart disease, cancer, stroke, obstructive lung diseases, and diabetes are the most prevalent, costly, and preventable of all health problems. In 2001, these five conditions were responsible for 68 percent of all deaths in Missouri, and each of these diseases has substantial human costs as well as economic costs that are estimated at \$123 billion during 2002 in Missouri. Chronic diseases share many of the same risk factors, including obesity, lack of exercise, inadequate diets, and tobacco usage. Despite the human and economic costs, 27.2 percent of adults and 30.3 percent of high school students in Missouri continue to smoke and almost half of Missouri's adults and over 20 percent of our children are overweight. Approximately 30 percent of adults engage in no leisure time physical activity. Part of the state's current budget problem is a direct result of escalating health care costs due to unhealthy life styles. One way to bring these costs under control and increase the number of years of healthy living is to identify personal health risks, adopt healthy lifestyle habits, and use detection and treatment services effectively.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

POLICY SUMMARY (Continued)

Communicable diseases continue to threaten public health and contribute significantly to the cost of health care even though many serious infectious diseases are largely or completely preventable. In Missouri, there are at least 8,918 people living with reported cases of HIV/AIDS. In 2002, there were 8,952 reported cases of gonorrhea and 16,181 cases of chlamydia. The Governor's Fiscal Year 2005 recommendations include:

- \$5 million for comprehensive health services for low-income individuals with unmet health needs such as screenings, education, and treatment for chronic and infectious diseases, obesity, and reproductive health services.
- \$2 million federal funds for HIV+/AIDS prevention, treatment, and assistance programs.
- \$430,554 federal funds for grant awards in the Division of Environmental Health and Communicable Disease Prevention.

Some performance measures the Department of Health and Senior Services uses to evaluate its goal of preventing or controlling communicable and chronic diseases follow:

	2000	2001	2002
Percentage of two-year-old children immunized	76%	79%	77.3%
Incidence of chlamydia infections per 100,000 population	240.4	250.0	289.2
Rate of gonorrhea per 100,000 population	158.8	160.0	160.0
Rate of AIDS per 100,000 population	7.5	6.8	6.4
Incidence rate of tuberculosis (TB) disease per 100,000 population	3.87	3.21	3.67
Percentage of people age 65 or older immunized for influenza	70%	67.5%	67.5%
Percentage of people age 65 or older immunized for pneumococcal disease	53%	56%	56%
Rate of heart disease per 100,000 population*	288.3	268.8	268.1
Rate of all cancer per 100,000 population*	205.6	205.5	203.3
Percentage of adults currently smoking	27.2%	25.9%	26.5%

*Heart disease and cancer rates are adjusted for age using the United States 2000 standard million population.

Improved Efficiency

Missouri has always been a low tax state and, therefore, has provided only essential services at a very low cost. The state's already low tax level combined with two consecutive years of declining revenues have led to significant reductions in many programs. However, under Governor Holden's leadership, state agencies have minimized the negative impact on services by dramatically reducing administrative costs and by developing ways to provide remaining services in the most efficient way possible.

Some of the efficiencies undertaken by the department include:

- Eliminating a level of management in all regional offices.
- Reducing out-of-state travel by 54 percent.
- Restricting and/or requiring pre-approval of expense and equipment expenditures.
- Using videoconferencing in lieu of meetings to reduce travel, lodging, and meal expenses.
- Making more data available on the department's web page resulting in a reduction in printing and mailing costs.
- Computerizing as many functions as possible so fewer staff can complete more work assignments.
- Reducing the number of divisions from seven to four through consolidations.

In addition to cost cutting measures already implemented, the Department of Health and Senior Services plans to review the department's programs and services for privatization or outsourcing opportunities. This process involves identifying the basic functions that should be carried out by the department either through a state or federal mandate, evaluating the cost effectiveness of possible alternatives, and developing contracts that assure quality and cost effectiveness, ongoing evaluation, and accountability.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

POLICY SUMMARY (Continued)

Cuts Already Made

The Department of Health and Senior Services has worked to minimize the impact of recent funding reductions on department services. From Fiscal Years 2002 through 2004, the department's general revenue has been reduced by \$28.6 million and 189.29 staff, including:

- \$2.3 million and 45 staff from the Office of Director and Division of Administration. This loss of staff occurred even as additional requests for information are received, new measures have been implemented with regard to safety issues, and increased education efforts have been needed on such issues as anthrax and emerging infectious diseases.
- \$3.1 million and 22 staff from the Division of Environmental Health and Communicable Disease Prevention. These reductions occurred while new and increased demands continue to develop such as West Nile disease and Severe Acute Respiratory Syndrome (SARS), anthrax investigations, and soil, water, and air contamination.
- \$2.9 million and almost 44 staff have been reduced for services to pregnant women and children. While some program components such as service coordination and case management have been outsourced, there are still many Missourians who are eligible for services but continue to have unmet needs.
- \$3.6 million for women's primary health care services was eliminated by the General Assembly in Fiscal Year 2004. This program served over 30,000 low-income women throughout the state. For most of these women, the services provided were the only health care they received during the year. Consequences of not funding this program include undiagnosed venereal diseases and cancer, inadequate prenatal care, a quick succession of births that compromise the woman's health, low birth weight babies with complex short-term and long-term health problems, and higher infant mortality. In Fiscal Year 2005, the Governor recommends \$5 million to provide a comprehensive health services program that includes reproductive health services.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

HEALTH ADMINISTRATION

The department's centralized administration is responsible for cost-effective implementation of Missouri's public health and senior services programs and provides administrative support to all department divisions. Responsibilities and services include budgeting, legislative review, accounting, expenditure control, purchasing, contract and grant administration, internal auditing, general office support, legal services, personnel management and training, minority health care issues, and epidemiological consultation.

Fiscal Year 2005 Governor's Recommendations

- \$2,420,000 federal funds so the receipt of grant awards and distributions can be accommodated during the year.
- \$260,635 other funds and 0.50 staff to assess other divisions for administrative costs.
- \$113,084 other funds and 3.25 staff to fund the Board of Nursing Home Administrators through fee assessments.
- \$162,682 for pay plan, including \$52,818 general revenue.
- \$168,796 and six staff reallocated from the Division of Senior Services and Regulation to centralize department payment processing and training staff, including \$74,249 general revenue.
- (\$1,453,779) federal funds reallocated from the Preventive Health Services Block Grant to align appropriations in the three divisions that expend these funds.
- (\$283,710) and (10.26) staff reallocated to the Division of Senior Services and Regulation for the Abuse and Neglect Hotline and Registry.
- (\$75,429) and (3.00) staff in core reduction from the Fiscal Year 2004 appropriation level, including (\$58,709) general revenue.
- (\$37,800) reallocated to the State Public Health Laboratory and the Center for Emergency Response and Terrorism to align appropriations with expenditures, including (\$23,491) general revenue.

STATE PUBLIC HEALTH LABORATORY

The State Public Health Laboratory performs analysis of samples from newborns for metabolic conditions; conducts tests of human samples for suspected disease agents; and performs tests for tuberculosis, HIV, sexually transmitted diseases, rabies, immunizable diseases, and other diseases. The laboratory also conducts tests of public and private water supplies, performs screenings for childhood lead poisoning, and examines milk and food suspected of causing disease outbreaks. Each year, more than one-half million specimens are submitted to the laboratory for testing and examination.

Fiscal Year 2005 Governor's Recommendations

- \$27,000 reallocated from the Office of Director to align appropriations with expenditures, including \$23,491 general revenue.
- \$72,985 for pay plan, including \$38,315 general revenue.
- (\$258,162) and (six) staff in core reduction from the Fiscal Year 2004 appropriation level, including (\$255,882) general revenue.

CENTER FOR HEALTH INFORMATION MANAGEMENT AND EVALUATION

The Center for Health Information Management and Evaluation is responsible for collecting, analyzing, and distributing data that identify the current health status, existing and emerging health problems, and the unmet health needs of Missourians. The center collects and reports on births and deaths, disease and injury incidence, and hospital and nursing home information. It issues copies of birth and death certificates and provides support for the department's statewide data network and computer database applications.

Fiscal Year 2005 Governor's Recommendations

- \$94,200 other funds and two staff to support the collection, analysis, and distribution of health data.
- \$111,237 for pay plan, including \$34,691 general revenue.
- (\$319,896) and (9.99) staff in core reduction from the Fiscal Year 2004 appropriation level, including (\$159,225) general revenue.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

CENTER FOR LOCAL PUBLIC HEALTH SERVICES

The Center for Local Public Health Services coordinates the department's partnership with 115 local county public health agencies to improve the health of all Missourians. The center is active in building the capacity to carry out key public health roles and activities at the local level. Some of these activities include inspecting restaurants, monitoring and investigating communicable diseases and environmental health threats, and promoting community health awareness.

Fiscal Year 2005 Governor's Recommendations

- \$2,112 reallocated from the Division of Community Health Services to align appropriations with expenditures.
- \$10,750 for pay plan, including \$7,151 general revenue.
- (\$106) core reduction from the Fiscal Year 2004 appropriation level.

CENTER FOR EMERGENCY RESPONSE AND TERRORISM

The Center for Emergency Response and Terrorism is responsible for coordinating regional and state planning for public health emergencies and natural disasters, including biological, chemical, and nuclear terrorism. Through partnerships with hospitals and other health care organizations, local entities such as government and law enforcement agencies, and other partners, the center works to assure that systems are in place to protect the health of Missourians during a public health emergency.

Fiscal Year 2005 Governor's Recommendations

- \$613,326 federal funds and 30.40 staff to improve the Public State Health Laboratory's capabilities.
- \$65,881 federal funds for pay plan.
- \$10,800 federal funds reallocated from the Office of Director to align appropriations with expenditures.

DIVISION OF ENVIRONMENTAL HEALTH AND COMMUNICABLE DISEASE PREVENTION

The Division of Environmental Health and Communicable Disease Prevention provides services that focus on disease prevention and control. The division performs surveillance and epidemiological services for a wide range of communicable and zoonotic diseases and environmental induced conditions. It provides diagnosis and treatment of tuberculosis, HIV/AIDS, and sexually transmitted diseases; monitors emerging infectious diseases such as SARS, monkey pox, and West Nile virus; and administers the immunization program. The division also prevents and controls diseases due to environmental factors through enforcement of community sanitation standards, control of hazardous substances, and assessment of environmental health risks.

Fiscal Year 2005 Governor's Recommendations

- \$2,000,000 federal funds to reduce the incidence of venereal diseases and improve and expand treatments for persons with HIV/AIDS.
- \$430,554 federal funds and nine staff for the immunization program, including improving and maintaining the registry and vaccine inventory, and to coordinate and provide services for persons with HIV/AIDS.
- \$199,698 other funds and 5.40 staff to fund regulatory programs through fee assessments.
- \$74,765 other funds and 1.50 staff to meet the demand for more lead abatement project inspections in the lead licensing program.
- \$149,964 for pay plan, including \$56,564 general revenue.
- \$305,142 federal and other funds and 7.50 staff reallocated from the Division of Senior Services and Regulation for the lead licensing program.
- \$87,826 federal funds reallocated from the Preventive Health Block Grant to align the appropriation with expenditures.
- (\$229,209) core reduction from the Fiscal Year 2004 appropriation level, including (\$9,159) general revenue.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

DIVISION OF COMMUNITY HEALTH

The Division of Community Health administers programs for maternal, child and family health, nutritional health, chronic disease prevention and health promotion, and community health improvement. The division works with communities, schools, organizations, and the health care delivery system to ensure that a variety of services are available to vulnerable populations. Some of these programs include maternal and child health services such as prenatal care and well baby clinics, as well as nutrition programs for women, infants and children, such as WIC. The division also focuses on prevention and reduction of illness, disability, premature deaths, and associated costs related to chronic diseases and informs the public about the need for organ donations that far exceed the available organs. Other services include sexual assault prevention, school-aged children's health, services for children with special health care needs and persons with head injuries and genetic disorders. To encourage nurses, doctors, and dentists to locate in medically underserved areas of the state, the division provides loans for health care professionals, rural health, oral health care, and community health initiatives.

Fiscal Year 2005 Governor's Recommendations

- \$4,988,565 and four staff to provide comprehensive health services for meeting the unmet health needs of low-income families.
- \$353,663 federal funds and 3.55 staff for the Fetal Alcohol Syndrome Grant awarded to the state by the Centers for Disease Control.
- \$146,000 other funds to fund training and education programs through fee assessments.
- \$50,000 other funds to expand the number of grants available for nursing students.
- \$244,128 for pay plan, including \$54,440 general revenue.
- \$1,300,835 federal funds reallocated from the Preventive Health Block Grant to align the appropriation with expenditures.
- (\$731,737) and (four) staff in core reduction from the Fiscal Year 2004 appropriation level, including (\$660,766) general revenue.
- (\$200,000) transferred to the Department of Social Services for maternal and child services.
- (\$2,112) reallocated to the Center for Local Public Health Services to align appropriations with expenditures.

DIVISION OF SENIOR SERVICES AND REGULATION

The Division of Senior Services and Regulation is responsible for assuring that a comprehensive, effective, and coordinated service delivery system is available for elderly and disabled Missourians whether the services are provided by department personnel or contracted services providers. Some of the services available include case management, counseling, information and referral, congregate and home-delivered meals, transportation, and abuse prevention/protection services, all of which help thousands of elderly and disabled residents live dignified, independent lives in their own homes and communities. The division also is responsible for assuring that the care and services provided by hospitals, long-term care facilities, ambulatory surgical centers, home health agencies, hospices, childcare providers, ambulances, paramedics, handlers of controlled substances, and a variety of Medicare-certified health programs meet state and/or Medicare standards. In addition to routine compliance surveys, the division also investigates complaints concerning these entities.

Fiscal Year 2005 Governor's Recommendations

- \$430,945 other funds and ten staff to fund regulatory programs through fee assessments.
- \$25,000 for the Silver-Haired Legislature program.
- \$918,718 for pay plan, including \$421,066 general revenue.
- \$283,710 and 10.26 staff reallocated from the Office of Director for the Central Registry Unit.
- \$65,118 federal funds reallocated from the Preventive Health Block Grant to align the appropriation with expenditures.
- (\$4,276,919) and (10.51) staff in core reduction from the Fiscal Year 2004 appropriation level, including (\$201,364) general revenue.
- (\$586,464) transferred to the Department of Social Services for in-home nurse visits.
- (\$305,142) federal and other funds and (7.50) staff reallocated to the Division of Environmental Health and Communicable Disease Prevention for the lead licensing program.
- (\$200,000) transferred to the Department of Insurance for the Community Leaders Assisting the Insured of Missouri (CLAIM) program.
- (\$168,796) and (six) staff reallocated to health administration to consolidate reimbursement and training activities, including (\$74,249) general revenue.
- (\$130,000) other funds core reduction for a diet pill education program that has not received any donations to operate since it was created in the Fiscal Year 2001 budget.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

MISSOURI SENIOR Rx PROGRAM

In response to the increasing cost of medications and the increasing burden Missouri's seniors face paying for necessary medications, the Governor proposed, and the General Assembly approved, the Missouri Senior Rx Program in the Special Session of 2001. The program serves eligible seniors and pays 60 percent of the cost of approved drugs after the enrollees meet specified deductibles. The program will serve 18,850 members in Fiscal Year 2004 and expects to increase the number of participants to 25,000 in the next fiscal year. The typical member saves about \$800 per year in out-of-pocket prescription drug costs.

Fiscal Year 2005 Governor's Recommendations

\$7,463,746 for the Missouri Senior Rx Program.

MISSOURI HEALTH FACILITIES REVIEW COMMITTEE

The Missouri Health Facilities Review Committee implements the Certificate of Need Program in Missouri. The purpose of the Certificate of Need Program is health care cost containment through the prevention of unnecessary duplication of health care services. The staff assists the review committee in the review of proposals to develop or offer new institutional health services and issues certificates for those services determined to be needed.

Fiscal Year 2005 Governor's Recommendations

- \$2,495 for pay plan.
- (\$41,655) and (one) staff in core reduction from the Fiscal Year 2004 appropriation level.